

FOR THE CONGRESSIONAL RECORD

November 7, 2007

**Statement of Representative Pete Stark
In Support of Labor and Environmental Protections at Home and Abroad**

MR. STARK: Madam Speaker, I rise in opposition to a Peru Free Trade Agreement that is neither free nor fair. Much like the North American and Central American Free Trade Agreements, this agreement will hurt both working families and the environment.

Building on the Bush Administration's framework for CAFTA, it promotes the offshoring of high-wage American manufacturing jobs by removing many of the risks firms face when relocating to Peru in pursuit of cheap labor.

Much like NAFTA, it enables foreign companies to challenge -- in foreign courts -- American laws that protect occupational health, safety, and the environment. Already, NAFTA signatories have paid more than \$35 million to corporations that have through this provision attacked bans on the use of toxic chemicals, limits on tobacco production and marketing, and regulations on deforestation.

In one case that hit particularly close to home, a foreign firm challenged California's ban on the use of polluting gasoline additive MTBE. As a result, American taxpayers were forced to pay more than \$3 million in legal fees before the case was eventually dismissed on technical grounds.

This agreement also undercuts Congress' authority to ensure American tax dollars are spent to create jobs in America by enabling President Bush to waive existing 'Buy America' policies. And it enables foreign firms to challenge American procurement policies designed to promote recycling and renewable energy.

That's why numerous American labor, environmental, consumer, faith, family farm, and development groups oppose this agreement. Both of Peru's labor federations, its major indigenous people's organization, and a prominent Archbishop in the country oppose this agreement as well.

To be fair, this agreement does significantly improve upon the flawed framework provided by the North American and Central American Free Trade Agreements. For new labor and environmental protections that were absent from prior trade deals, I want to thank and recognize the hard work of my colleagues on the Ways and Means Committee.

Making measured alterations to the rules of the same old game, however, is the wrong approach. Rather than improve on President Bush's trade agreements at the margins, Democrats can and should set the terms of the President's negotiating authority in a way that honors our commitment to America's workers and the environment.

I urge my colleagues to vote no.